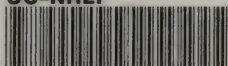


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Chosen and Manchuria

Economic Outlines

■ ■ ■ 1918 ■ ■ ■

COMPLIMENTS OF THE
BANK OF CHOSEN

YC 81637

The pongee used in covering this booklet was made by Korean pupils of the Government Industrial Training Institute in Seoul.

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ECONOMIC OUTLINES OF CHOSEN AND MANCHURIA

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The constantly changing conditions in the territory covered in these outlines as well as the rapid development of the Bank of Chosen and extension of its activities call forth this work.

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WITH THE COMPLIMENTS OF
THE BANK OF CHOSEN

SEOUL, CHOSEN (KOREA), 1918

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THE BANK OF CHOSEN, SEOUL.



INTERIOR.



RECEPTION ROOM

The picture on the wall is that of Prince Ito by whom the plan for the establishment of the Bank of Chosen was first conceived, and the corner stone of the present building, bearing his hand writing and shown in the lower left corner, was laid. The bronze statue below the picture is that of Baron Shibusawa who surrendered, as President of the Dai Ichi Ginko, his banking business in Korea in favour of the Bank.

THE BANK OF CHOSEN

INCORPORATED BY SPECIAL CHARTER 1909.

Capital paid up ¥20,000,000.

GOVERNOR :

S. MINOBE, Esq.

DEPUTY GOVERNOR :

T. KANO, Esq.

DIRECTORS :

T. MISHIMA, Esq., Y. KIMURA, Esq.

S. OHTA, Esq., S. KATAYAMA, Esq.

AUDITORS :

C. ITO, Esq., K. HATTORI, Esq.

HEAD OFFICE SEOUL, CHOSEN.

BRANCHES :

CHOSEN

Chemulpo, Pyengyang, Wonsan, Taiku, Fusan, Chinnampo,
Kunsan, Mokpo, Ranam, Masan, Shinwiju, Hoilyong.

MANCHURIA

Antung, Mukden, Dairen, Changchun, Szupingchieh, Kaiyuan,
Yingkow (Newchwang), Harbin, Fuchiatien, Lungchingtsun,
Kirin, Tieling, Liaoyang, Ryojun (Port Arthur), Chengchiatun.

JAPAN

Tokyo, Osaka, Kobe.

CHINA PROPER

Shanghai, Tsingtao.

VLADIVOSTOCK

Matsuda Bank (affiliated bank).

Foreword

Two years ago we published a booklet entitled "Economic Chosen" in which we gave general information about the Peninsula. Many changes have since taken place, necessitating a revision of it, even if other reasons did not call for it. But we have an additional reason, for, since publishing the above, Manchuria has been taken into our sphere of activity, and the Bank has come to play an important rôle in its monetary affairs. We are naturally desirous of introducing this new field of the Bank to the world at large, as it has been found that the world knows as little of this land as it does of Chosen.

We have therefore endeavoured in this present account to give in outline the conditions of both these countries, as set forth in the latest statistics, and to give our friends a general idea of what these countries really are at the present moment from the economic point of view. Great difficulty has been met with in doing this owing to the lack of reliable statistics on Manchuria, and, though we have done our best with the material available, our accounts are far from being as satisfactory as we could wish them in that respect. It is hoped, however, that this booklet will still prove useful in its own little way to our friends to whom it is addressed with our best compliments.

Seoul, July 23, 1917.

The Bank of Chosen.

Foreword to the 1918 Edition

THE favourable reception accorded by our friends to the first edition of this booklet has induced us to bring out another, though not quite a year has yet gone by since its first appearance. A good many changes have been made in it, as many changes have taken place in Chosen and Manchuria during this short time, all showing their rapid progress. As for the Bank its progress has been even more rapid. In the first edition, it appeared as an ordinary commercial bank in Manchuria; in the present it appears as the central bank of Kwantung Province and the South Manchuria Railway Zone there, in and along which all important business centres in Manchuria are located. It has even made an entry in Mongolia. Its power of note-issue on security reserve has been extended from Yen 30,000,000 to Yen 50,000,000. All these changes are noted down in the present volume.

In presenting this booklet to our friends, we send with it our best wishes for their continued prosperity.

Seoul, May 1918.

The Bank of Chosen.

CHOSEN AND MANCHURIA

CHOSEN and Manchuria are situated in the North-eastern part of the continent of Asia. The two lands are adjacent, only the rivers Yalu and Tumen running between them. The former is part of the Japanese Empire while the latter belongs to China, but the economic conditions of the two countries are so much alike and are so linked to each other that it is not entirely inappropriate to consider them as a whole.

Chosen or Korea, an independent country for many centuries and once a protectorate of Japan, was peacefully annexed by Japan in 1910. It had long been a bone of contention among the neighbouring powers, and was a hot-bed of diplomatic intrigues, thus forming a constant menace to the peace of the Far East. Moreover, centuries of maladministration had reduced the people to such an extreme of misery and poverty that at one time speedy recovery seemed almost beyond all hope. But with the annexation, all was changed. Japan is doing everything within her means to develop the country, and for this she is being amply rewarded, as subsequent pages plainly show. She has indisputably evidenced that the proverbial poverty of the Koreans was not caused by the lack of natural resources nor by the want of ability on the part of the people, but was simply the result of maladministration and, this having been replaced by a better system of government, the country is now on the fair way to prosperity.

Manchuria is a land in which Japan has the greatest interests outside her own realm. A series of events has made her the holder of the lease of the Kwantung Peninsula and of the South Manchuria Railway Zone. Moreover, the recent treaty concluded with China has secured for her subjects various important rights in South Manchuria and Eastern Mongolia, including the right of resid-

ence, of doing business, and also of holding land on lease, thus enabling them to engage in commercial and industrial enterprises on a more permanent basis. There are now some 110,000 Japanese engaging in every branch of trade and industry, and we flatter ourselves that the recent Manchurian development is to no small extent due to their activity.

Chosen and Manchuria form therefore a mass of land in Continental Asia in which the Japanese are taking the most active part, and this state of things has naturally strengthened the economic ties between the two territories. The extension of the business of the Bank in to Manchuria must have had the same effect upon the monetary relations between them. Now that the Bank of Chosen is made by Imperial Decree the central bank for the leased territories above mentioned while remaining that for Chosen, it may be said that a new link has been created to bring still closer the already close relations existing between the two countries.

SITUATION AND CLIMATE

SITUATION:—Chosen is a large peninsula projecting South-eastward from the continent of Asia; it is washed by the Sea of Japan on the East and by the Yellow Sea on the West, and lies between lat. $33^{\circ} 12'$ and $43^{\circ} 2' N.$ and long. $124^{\circ} 13'$ and $130^{\circ} 54' E.$ It is separated from Japan by a strait only 122 miles in width which is now crossed in less than 10 hours.

Manchuria is a vast tract of land comprising the three Chinese provinces of Mukden, Kirin, and Amur, and extends between lat. $38^{\circ} 43'$ and $53^{\circ} 30' N.$ and long. $117^{\circ} 50'$ and $135^{\circ} 2' E.$ It is bounded on the North by Siberia, on the East by Siberia and Chosen, on the West by Mongolia, and on the South by Chosen from which it is separated by the rivers Yalu and Tumen.

The crossing of the Peninsula of Chosen from South to North requires only 22 hours by train, so Manchuria can be reached in about 32 hours from Japan and only 11 hours from Seoul. It is needless to say that this proximity in location has had a great deal to do with the Japanese influence in both these countries.

Climate:—Though Korea and Manchuria are situated within practically the same parallels of N. latitude as Japan, the United States, and Middle and Southern Europe, the climate of neither of the former is as equable as that of these parts, being less under the influence of warm ocean currents. Still that of Korea is considered excellent by Europeans. They generally prefer it to that of Japan, and some even admire it. Prince Ito is said to have remarked, during his stay in this country as Resident-General, that he had talked to many foreigners but not once had he heard any of them complain of the climate of this country. In Manchuria the cold is generally more intense, though it varies greatly according to places.

The following table gives the mean temperature of representative localities in Korea and Manchuria for January, April, July, and October, according to the statistics of the year 1916.

Locality	January	April	July	October
Fusan, Korea	4.6°	12.2°	23.0°	16.5°
Seoul, „	—0.1°	10.8°	23.8°	12.9°
Wonsan, „	—0.5°	7.9°	22.2°	13.0°
Yonggampo, Korea	—5.6°	7.4°	22.8°	10.7°
Songjin, „	—2.8°	6.5°	20.2°	11.5°
Dairen, Manchuria	—1.6°	7.6°	23.3°	13.8°
Mukden, „	—13.7°	6.9°	24.9°	9.3°
Newchwang, „	—7.2°	7.3°	24.5°	10.5°
Changchun, „	—14.3°	4.4°	23.3°	7.1°
Harbin, „	—14.9°	7.7°	21.9°	7.2°

AREA AND POPULATION

CHOSSEN has an area of 84,000 square miles, i.e., nearly as large as the Mainland of Japan or two-thirds the size of the British Isles. Its population is 16,648,129 of which 320,938 are Japanese. The population, both Japanese and Korean, is increasing, as shown in the following table :—

Year	Koreans	Japanese	Foreigners	Total	Index Number	Jap. Population per thousand
1910	13,128,780	171,543	12,694	13,313,017	100	13
1911	13,832,376	210,689	12,804	14,055,869	106	15
1912	14,566,788	243,729	16,589	14,827,101	111	16
1913	15,169,928	271,591	17,349	15,458,868	116	17
1914	15,620,720	291,217	18,025	15,929,962	120	18
1915	15,957,630	303,659	17,100	16,278,389	122	19
1916	16,309,179	320,938	18,012	16,648,129	125	19

The area of Manchuria is estimated to be about 363,000 square miles, or about 4 times that of Korea, and that of the leased territory of Kwantung is 1,298 square miles. Its population is not exactly known, owing to the lack of authentic statistics, but is estimated to be about 19,000,000. The leased territory of Kwantung and the South Manchuria Railway Zone have between them a population of 672,133, including 105,460 Japanese and 272 foreigners. The population in Manchuria is said to be increasing even more rapidly than in Chosen, being continually augmented by immigrants from other parts of China.

The density of population in Chosen is 199 per square mile, or about half that of Japan where it is 379 per square mile. The country is most densely populated in the south and most sparsely in the north, ranging from 332 per square mile in the southernmost to only 45 in the northernmost province.

The population of Manchuria is rather thin when compared with Chosen, the average density being only 52 per square mile, with the exception of the district of Kwantung where it is nearly 420. It is only 9 in Amur Province. Immense areas of arable land are still lying idle, though much is being turned into rich fields by industrious Chinese who are now pouring into these districts in great numbers.

TRAFFIC

KOREA was long known as the "Hermit Nation," so completely was she secluded from the rest of the world. But with the completion of the Seoul-Fusan and Seoul-Wiju Railways in 1901 and 1906 respectively the whole situation was changed. The country is now traversed by many railways, the trunk line of which forms, in connection with the South-Manchuria and the

Siberian railways, the great highroad between the East and the West. The distances, and the days and hours required for covering them, from Seoul to the principal cities in Asia and Europe are given below.

Place	Distance	Time
Tokyo	1,028 m.	46 h. 8 m.
Osaka	671 ,,	33 ,, 41 ,,
Peking	1,004 ,,	36 ,, 37 ,,
Shanghai	1,724 ,,	66 ,, 17 ,,
Hankow	1,754 ,,	64 ,, 2 ,,
Harbin	821 ,,	2 days
Moscow	5,767 ,,	10 ,,
Petrograd	5,857 ,,	10 ,,
Berlin	6,950 ,,	11 ,,
Paris	7,654 ,,	12 ,,
London	7,697 ,,	12 ,,

Note;—The days taken to reach European cities are calculated from the timetable issued in time of peace.

All the railways in Chosen were owned and, till recently, managed by the State, but their management has just been transferred to the South Manchuria Railway Company, the Government-General of Chosen retaining, however, the right of supervision. They are of the 4 ft. 8½ in. standard gauge, the carriages are all of the bogie type, with wide corridors in the middle, and provided with up-to-date arrangements for ensuring comfort.

The total length of Chosen Railways now open to traffic is 1,092 miles, consisting of the trunk line (592 m.) Seoul-Chemulpo Line (18.4 m.), Samnangjin-Masan Line (24.8 m.), Pyengyang-Chinnampo Line (34.3 m.), Seoul-Wonsan Line (138.4 m.), Taijon-Mokpo Line (161.7 m.), Yiri-Kunsan Line (14.3 m.), Wonsan-Yongheung Line (33.9 m.), Chongjin-Hoilyong Line (58.1 m.), and other lines (16 m.).

Manchuria is traversed in its length and breadth by the following lines operated by different nationalities:

South Manchuria Railways (Japanese)	{	Trunk Line (Dairen-Changchun)	437 m.
		Antung-Mukden Line	171 m.
		Branch Lines { Fushun Branch Yingkow .. Port Arthur .. }	92 m.
Chinese Eastern Railways (Russian)	{	Trunk Line (Manchuria-Pogranitchnaia)	922 m.
		Branch Line (Harbin-Changchun)	152 m.
Peking-Mukden Railways (Chinese)	{	Trunk Line (Mukden-Shanhaikuan)	260 m.
		Branch Lines	71 m.
Kirin-Changchun Railway (Owned by Chinese but managed by Japanese)			79 m.
Szupingchieh-Chengchiatun Railway (Owned by Chinese but managed by Japanese)			55 m.
Tsitsihar-Anganghei Railway (Chinese)			18 m.

Many lines are being projected, of which the principal ones are: Kirin-Hoilyong (110 m.), Szupingchieh-Taonan (230 m.), Kaiyuan-Hailung (120 m.), Hailung-Kirin (110 m.), Changchun-Taonan (180 m.), and Taonan-Jeho (470 m.). Part of the Szupingchieh-Taonan Line covering 55 miles is already open to traffic.

Post, Telegraph, and Telephone

Chosen :—A great advance has been made in these means of communication since 1905, in which year the postal administration of Chosen was placed under Japanese direction. Post and telegraph offices are now found in every place of any size in the country, while all important places are provided with, and connected to each other by, telephone service. The following table shows the yearly increase in the number of post, telegraph, and telephone offices for the past 5 years:—

Fiscal Year		1912-13	1913-14	1914-15	1915-16	1916-17
No. of Offices handling Ordinary Mail		485	500	515	516	526
No. of Offices handling Parcels		485	500	515	516	526
No. of Offices handling Money Orders & Savings Banks		484	499	514	515	526
No. of Offices dealing with Telegrams	Japanese	440	510	537	590	610
	English	373	434	460	510	526
	Korean	366	427	453	503	518
No. of Offices dealing with Telephones	Exchange Offices	45	45	45	45	45
	Communication Offices	300	366	396	449	467
No. of Offices dealing with Treasury Accounts		417	431	443	444	454

Manchuria:—The post and telegraph services in Manchuria are partly operated by the Japanese and partly by the Chinese authorities. The leased territory of Kwantung and the South Manchuria Railway Zone are best provided with these means of communication, the number of the post-offices in them alone now reaching 198. Those conducted by the Chinese have also made remarkable progress of late. First class Chinese post-offices are found in Antung, Newchwang, Changchun, and Harbin. There are besides 81 post-offices of the 2nd and 3rd class, and about 250 postal agencies, and all these are controlled by the Postal Administrative Office in Mukden. The telegraph and telephone system in Manchuria now extends about 2,400 miles.

CITIES AND TOWNS

CHOSEN:—One of the most notable facts in connection with the Japanese entry into the country is the growth of cities through industry and commerce. In her decadent days, Korea had practically no cities worthy of the name with the exception of Seoul, Pyengyang, and perhaps Kaisung, and what were once prosperous cities in her golden age had dwindled into nothing

more than villages or, at the best, were but collections of villages. With the increase of Japanese entering the country, new towns sprang up and old ones were given new life. Most of them indeed are still not very large but they are growing fast. Thus a country purely agricultural is being converted into a commercial and industrial one while still remaining mainly agricultural. There are altogether 16 towns with more than 10,000 inhabitants. The following are the principal towns of Chosen, each being more or less the centre of its locality. The large proportion of the Japanese population may well be noted.

(1916)

Town	Japanese	Koreans	Foreigners	Total	Jap. Population per thousand
Seoul	67,030	183,866	2,172	253,068	265
Chemulpo...	11,925	18,636	1,208	31,769	375
Kaisung ...	1,486	42,638	68	44,192	34
Kunsan ...	5,387	5,423	147	10,957	492
Chyongjyu	3,126	11,188	86	14,400	217
Mokpo... ..	5,608	8,981	117	14,706	381
Koangjyu ...	2,569	8,267	24	10,860	236
Taiku... ..	9,997	25,737	145	35,879	279
Fusan... ..	28,012	32,846	189	61,047	459
Masan... ..	4,497	11,351	42	15,890	283
Chinjyu ...	2,230	9,424	24	11,678	191
Tongyong...	2,064	12,389	26	14,479	142
Haiju	1,545	13,215	45	14,805	104
Pyengyang	9,023	37,162	405	46,590	194
Chinnampo	5,641	17,277	317	23,235	243
Shinwiju ...	2,981	1,776	1,512	6,269	475
Wonsan ...	7,265	15,504	348	23,117	315
Hamheung	2,503	13,655	45	16,203	155
Hoilyong ...	1,100	5,368	24	6,492	169
Ranam ...	2,206	2,232	83	4,521	488

Manchuria:—The land abounds with large cities and towns, having 38 towns with a population of more than 10,000. The growth of the Manchurian towns is largely accounted for by the immigrants from populous China Proper, to whom the land offers plenty of inducement in the form of scarcity of population, productiveness of the soil, and the consequent general well-being of the people. In most towns, trade is active, and there is no drowsiness as is often seen in some of the Korean cities. The entering of Japanese and Russians into the country has also contributed to the building up of large cities, conspicuous cases being those of Dairen and Harbin.

(1915)

Town	Chinese	Japanese	Foreigners	Total	Jap. Population per thousand
Dairen ...	24,371	33,158	92	57,621	575
Port Arthur...	7,424	8,837	21	16,282	543
Mukden ...	176,226	6,753	161	183,140	37
Fushun ...	15,553	6,826	—	22,379	305
Liaoyang ...	50,383	3,339	9	53,731	62
Newchwang...	44,118	2,297	115	46,530	49
Penhsihu ...	32,325	2,675	—	35,000	76
Antung ...	47,145	6,675	31	53,851	124
Tiehling ...	26,930	2,568	11	29,509	87
Kaiyuan ...	18,418	1,046	5	19,469	54
Szupingchieh	5,432	751	—	6,183	122
Chengchiatun	37,814	172	14	38,000	5
Taonanfu ...	32,989	11	—	33,000	—
Hsinminfu ...	30,877	129	4	31,010	4
Chinchou ...	53,619	60	3	53,682	1
Kirin ...	79,247	354	70	79,671	4
Changchun ...	67,135	4,015	226	71,376	56
Harbin ...	23,129	1,435	40,180	64,744	22
Fuchiatien ...	27,900	397	—	28,296	14
Ningkuta ...	36,500	34	—	36,534	1
Shuang-chengpu ...	41,420	160	170	41,750	4
Kuyushu ...	54,568	—	—	54,568	—
Ashiho ...	34,901	4	80	34,985	—
Lungching-tsun ...	677	2,672	3	3,352	797
Tsitsihar ...	51,126	159	52	51,337	3

FINANCE

CHŌSEN :—The finance of Chosen makes part of that of Japan, but the revenue and expenditure of the Peninsula are kept distinctly separate under the name of "Special Account of the Government-General of Chosen." Under this system, all the Government expenses in Chosen are to be met by taxes and other receipts collected in the country, and the deficit, if any, made good by the Imperial Treasury of Japan. Each year there is still a deficit to be made good by Japan but the amount decreases yearly, and it is now confidently expected that the fiscal independence of the country will be effected in a few years. The satisfactory development of finance in Chosen will be seen by the following table, in which Revenue and Expenditure for the past seven years are compared.

Year	Revenue			Expenditure			Subsidy from Japan
	Ordinary	Extra-ordinary	Total	Ordinary	Extra-ordinary	Total	
	Yen	Yen	Yen	Yen	Yen	Yen	
1912-13	28,764,740	23,362,154	62,126,894	28,000,278	23,780,946	51,781,224	12,350,000
1913-14	31,347,543	31,745,944	63,093,487	31,690,220	21,764,264	53,454,484	10,000,000
1914-15	35,692,238	26,355,422	62,047,660	32,277,749	22,822,085	55,099,834	9,000,000
1915-16	38,829,330	23,893,165	62,722,495	34,724,853	22,145,094	56,869,947	8,000,000
1916-17	41,561,626	18,287,372	59,848,998	37,073,155	22,775,843	59,848,998	7,000,000
1917-18	44,518,346	18,070,963	62,589,309	38,991,314	23,640,245	62,631,559	5,000,000
1918-19	42,668,220	21,834,283	64,502,503	36,345,515	28,156,988	64,502,503	3,000,000

The expenditure incurred by the maintenance of a garrison in the Peninsula is borne by the mother country, and amounted to Yen 8,737,598 in 1916-17 and Yen 9,928,758 in 1917-18.

Manchuria :—The finance of the leased territory of Kwantung is conducted in much the same way as in Chosen, i. e., it is kept separate though forming part of that of Japan. The following figures show its progress during the past seven years.

Year	Revenue			Expenditure			Subsidy from Japan
	Ordinary	Extra-ordinary	Total	Ordinary	Extra-ordinary	Total	
	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1912—13 ...	1,782,723	4,380,047	6,162,770	3,299,371	2,060,132	5,359,503	3,122,500
1913—14 ...	1,913,716	3,625,039	5,538,755	2,971,346	1,457,906	4,429,252	2,347,800
1914—15 ...	2,107,841	3,382,252	5,490,093	3,048,276	1,068,623	4,116,899	2,233,000
1915—16 ...	2,221,473	3,341,985	5,563,458	3,024,977	1,093,947	4,118,924	1,937,000
1916—17 ...	2,782,610	3,497,714	6,280,324	3,148,378	1,059,625	4,208,003	2,007,000
1917—18 ...	2,229,330	2,515,502	4,744,832	3,518,995	1,417,523	4,936,518	2,007,000
1918—19 ...	3,340,262	3,213,112	6,553,374	3,936,994	2,616,380	6,553,374	2,007,000

Each of the three provinces of Manchuria, viz., Mukden, Kirin and Amur, has its own financial administration, which, though dependent in name on the Central Government of China, is really independent of it, its only obligation to the latter Government consisting in the periodical contribution of a sum of money. The following table shows the revenue and expenditure of the three provinces for the year 1916.

	Revenue			Expenditure		
	Ordinary	Extra-ordinary	Total	Ordinary	Extra-ordinary	Total
	Yen	Yen	Yen	Yen	Yen	Yen
Mukden	11,821,005	302,954	12,123,963	10,011,979	386,604	10,398,583
Kirin ...	5,818,572	—	5,818,572	5,687,402	14,500	5,701,902
Amur ...	3,442,529	—	3,442,529	6,005,242	—	6,005,242
Total	21,082,110	302,954	21,385,064	21,704,623	401,104	22,105,727

Note:—Figures for the Province of Amur are those for 1913, there being no reliable statistics for later years.

AGRICULTURE

CHOSSEN:—The peninsula of Chosen is well adapted for agricultural purposes, and this is especially the case with the southern part where climatic conditions are more favourable. The greatest drawback is the lack of sufficient means of irrigation, but this and other defects are being assiduously removed by the

co-operation of the Government and the people, resulting in the yearly increase in the area of its cultivated land and in the number of its agricultural population, as shown in the following table:—

Year	Cultivated Land			Agricultural Population		
	Paddy field	Upland	Total	Families	People	Av. Area per Family
	Acres	Acres	Acres			Acres
1912	2,510,485	4,466,504	6,976,989	2,433,609	11,614,353	2.87
1913	2,615,608	4,456,897	7,072,505	2,573,044	12,350,829	2.75
1914	2,669,599	4,582,412	7,252,011	2,590,237	12,787,365	2.80
1915	2,884,948	4,883,044	7,767,992	2,629,021	13,444,826	2.95
1916	3,283,796	5,510,486	8,794,282	2,641,154	13,738,532	3.33

The following table shows the annual increase in the principal agricultural products.

Grain

Year	Rice	Barley	Wheat	Rye
	Bushels	Bushels	Bushels	Bushels
1912	44,577,670	21,257,745	5,406,995	1,033,004
1913	50,079,871	25,975,374	6,287,467	1,261,034
1914	60,345,534	22,985,613	5,670,257	1,090,038
1915	56,448,973	25,718,762	5,958,454	1,247,718
1916	62,191,398	23,827,959	6,192,013	1,043,481

Year	Oats	Millet	Beans	Red Beans
	Bushels	Bushels	Bushels	Bushels
1912	1,302,543	15,467,810	12,170,038	4,144,870
1913	2,269,648	18,390,837	11,987,314	3,897,772
1914	2,224,585	15,933,821	12,231,231	3,794,419
1915	2,596,099	17,266,112	13,781,663	3,739,408
1916	2,785,950	18,630,042	14,676,713	3,986,842

Cotton, Ginseng and Tobacco

Year			Cotton		Ginseng		Tobacco
			American Upland	Native	Raw	Manu- factured	
			lbs.	lbs.	lbs.	lbs.	lbs.
1912	...	...	9,546,944	30,512,653	74,702	7,787	27,874,241
1913	...	...	17,788,108	29,237,390	160,005	22,652	31,367,789
1914	...	...	23,114,731	24,676,699	254,532	23,417	36,147,029
1915	...	...	37,928,255	21,615,372	394,357	47,258	30,392,333
1916	...	...	44,451,461	18,527,412	699,441	80,382	28,845,960

Of all the agricultural products of Chosen, rice is the most important. The greater part of it is consumed in the country, being the staple food of the people, still its export abroad amounted in 1916 to 7,969,084 bushels, valued at Yen 19,347,778. Next came beans, their export in 1916 amounting to 4,627,764 bushels, valued at Yen 6,011,696. Cotton is mostly cultivated in South Chosen. American upland cotton has been planted for some years past and is fast supplanting the native species. Its export in 1916 amounted to 6,277,767 lbs., valued at Yen 1,749,666. Ginseng is an herb, the root of which is highly esteemed in China as the greatest medicine on the face of the earth. Korean ginseng is reputed to be the best in the world, and in China it is valued at some 60 to 70 taels per Kin (1.3 lb.) wholesale.

Sericulture and Stock Farming

Year			Cocoons		Cattle		
			Domestic	Wild	Bulls	Cows	Total
			Bushels	Pieces	Head	Head	Head
1912	...	...	146,022	49,864,000	298,704	742,016	1,040,720
1913	...	...	182,880	38,437,000	350,624	860,387	1,211,011
1914	...	...	229,122	48,565,000	398,937	939,464	1,338,401
1915	...	...	293,414	38,454,000	407,911	945,620	1,353,531
1916	...	...	356,944	31,520,000	412,240	940,868	1,353,108

The country is especially adapted for sericulture, both wild and domestic, its climatic conditions being even more favourable than those of Japan. The rapid progress of the industry is shown in the value of the cocoons exported during the past five years, which is as follows:—

1913	1914	1915	1916	1917
Yen 62,000	Yen 335,000	Yen 724,685	Yen 1,470,175	Yen 3,154,362

Manchuria :—The soil is fertile throughout Manchuria but the best farming lands are found in the basin of the Sungari in which the cities of Changchun, Kirin, and Harbin are situated. The principal agricultural products are beans, *Kaoliang*, maize, millet, and wheat. *Kaoliang* is a species of sorghum and the staple food of the natives. Beans are mostly exported. The following table gives the area of the cultivated land and the number of people engaging in agriculture in the three provinces of Mukden, Kirin, and Amur.

(1915)

	Cultivated Land	Farmers		Av. Area per Family
		Families	People	
	Acres			Acres
Mukden	6,650,065	1,785,457	11,619,146	3.73
Kirin	9,030,417	689,473	5,053,481	13.10
Amur	6,077,441	297,630	2,094,532	20.42
Total	21,757,923	2,772,560	18,767,159	7.85

Principal Agricultural Products

(1915)

	Mukden	Kirin	Amur	Total
	Bushels	Bushels	Bushels	Bushels
Beans	52,449,952	33,790,347	16,406,886	102,647,185
Kaoliang	104,814,288	63,923,820	20,171,005	188,909,113
Millet	55,157,164	57,453,128	26,570,938	139,181,230
Maize	30,747,263	12,752,423	4,592,102	48,091,788
Wheat	4,268,621	10,960,157	15,321,440	30,550,218
Barley	1,716,725	3,645,575	5,300,132	10,662,432

FORESTRY

CHOSEN:—The Korean mountains and hills, which occupy nearly 73 per cent. of the whole area of the country and which were once covered with rich forests, are now mostly treeless and barren, due to reckless disafforestation carried on for centuries past. Rich groves are often seen around royal tombs, showing that trees flourish if only proper attention is given to them. Large forests are only found along the upper reaches of the Yalu and Tumen Rivers. They are under the management of the Lumber Undertaking Station of the Government-General.

After the establishment of the protectorate régime in 1906 various measures were taken for the protection of existing forests and for the creation of new ones. Young trees are planted on various hills and mountains at Government expense, while seedlings are supplied gratis to people engaged in afforestation. Provisions were also made in the Forestry Law by which Government forest lands, lying idle, may be rented to public bodies or

individuals under the condition that they become the property of the renters gratis, when they are properly afforested. Every possible opportunity is taken by the Government to arouse the interest of the people in afforestation and a liking for trees, as in this the native people seem to be singularly lacking. The result is that many of the hills and mountains once naked and barren now present a refreshing greenness. It is confidently expected that, in due course of time, these will be turned into flourishing forests, thus removing the root of many evils, such as floods and droughts, and the consequent damage to life and property.

Forest Area

(1917)

With Trees	With Shrubs only	Bare	Total	Percentage of Forest Area to Entire Area
Acres	Acres	Acres	Acres	acres
13,435,800	17,684,100	7,793,450	38,913,350	73

The Lumber Undertaking Station of the Government-General has the only saw-mill in the country of any note. The annual sale of timber by the Station ranges from Yen 990,000 to Yen 1,500,000.

Manchuria :—The greater part of South Manchuria is level and destitute of trees, but there are very large forests in the basin of the Yalu and its tributary, the Hun, it being estimated that the former covers an area of 715 square miles and the latter 480 square miles. The trees are mostly of the pine and cypress family.

North Manchuria has a great many more forests, nearly half its total area being covered by them. The particularly rich forests are found along the mountain ranges of Changpai and Khing-an. Some of these forests, especially those lying conveniently for transportation, have been mercilessly cleared away, but those in remote regions are as flourishing as they ever were. The forests on the banks of the Sungari are well known. The

timber from these forests is mostly transported to Kirin, the largest lumber market, and from there despatched to other places by rail.

The Yalu Timber Company at Antung, a joint undertaking by Japanese and Chinese with a capital of 3,000,000 Yuan, has the largest saw-mill in the country, and the sale of timber in 1916 amounting to Yen 6,500,000. There are besides many other mills in and around Antung. Manchurian timber is exported in large quantities to other parts of China.

MINING

CHOSEN :—Chosen abounds in mineral deposits of which gold, iron, coal, and graphite are the principal ones. They are mostly found in the northern part of the Peninsula, and are worked by firms and individuals of different nationalities. The new mining law was promulgated in April, 1916. New mines are constantly being discovered this, together with the enlargement of existing mines, and improvement in mining and refining processes, has caused the export of minerals from the country to increase annually, as shown in the following table :—

Year	Gold	Iron	Graphite	Coal	Other Metals	Total
	Yen	Yen	Yen	Yen	Yen	Yen
1912	9,410,311	311,688	165,279	334,381	9,984	10,231,643
1913	10,346,912	348,592	248,858	357,797	108,191	11,410,350
1914	10,221,790	418,444	192,187	458,184	128,762	11,419,367
1915	12,148,867	501,950	202,691	629,175	899,180	14,381,863
1916	15,471,545	538,617	576,792	468,888	5,609,140	22,694,982
1917	10,300,358	415,109	1,526,133	473,032	10,804,250	23,518,882

Besides those mentioned above, tungsten, chromium, molybdenum, mercury, tin, asbestos, mica, and talc are found in the Peninsula.

Two mines are preeminent in the value of their production; the one is the Unsan Gold Mine and the other the Suan Gold Mine and both are owned by American firms. The latest report gives the output of the former at Yen 3,250,000 and that of the latter at Yen 3,730,000. The Changsung Mine, owned by a French company, and the Chiksan Mine, owned jointly by Japanese and Americans, come next with an annual output of Yen 850,000 and Yen 1,000,000 respectively. Smaller mines are mostly worked by Japanese and Koreans. Of late, the famous Kuhara Firm has established a large refinery in Chinnampo where gold ores are purchased and refined. This will undoubtedly contribute to the development of gold mining.

Iron mines are mostly worked by Japanese, the largest ones being those at Chai-ryong, Un-yul, An-ak, and Kai-chun. The first two mines are worked by the Government, and produced between them 163,000 tons in 1916, while An-ak produced 50,000 tons. The working of the Kai-chun Mine has just been commenced by the Mitsui Firm on a very large scale.

Manchuria :—Manchuria, though very rich in minerals, including coal, iron, gold, silver, and lead, has as yet no large mines actually being worked with the exception of those at Fushun and Pen-hsi-hu. The Fushun Coal Mine, worked by the South Manchuria Railway Company, has in its employ about 18,000 men and produces 7,000 tons of coal per day. The Pen-hsi-hu Mine is worked jointly by the Okura Firm of Japan and the Chinese Government, with a daily output of about 1,000 tons. The mine also produces iron, the daily output of which amounts to 260 tons.

The South Manchuria Railway Company has also founded a large iron work, drawing its supply of ores from the An-shan-

chan Mine which is worked by Japanese and Chinese jointly and which is considered to be one of the finest mines in the East. They propose to spend on the work Yen 30,000,000 in the first three years, at the end of which period it is expected to produce 150,000 tons of pig iron. When the project is fully realized, it is expected to produce one million tons per year.

Gold is found in great abundance almost everywhere in North Manchuria. But the regions traversed by the Sungari and its tributaries, and the Yalu and the Tumen, are supposed to be particularly rich in this precious metal. It is also known that along the banks of the Amur alluvial gold is found in abundance. The Chinese authorities are said to be assiduously engaged in prospecting these regions. The only mine in North Manchuria of any note is the coal mine at Chalannor, the yearly output of which is said to be 160,000 tons. A recent report has it that, in consequence of the discovery of an extensive alluvial gold deposit on the banks of the Sungari, no less than 6,000 to 7,000 adventures have entered that region.

MARINE INDUSTRY

CHOSEN. **Fishing:**—Surrounded on three sides by water, with a coast-line measuring more than 6,000 nautical miles, Chosen is naturally in a favourable condition for the establishment of a prosperous fishing industry. Especially are the seas which wash her shores rich in many varieties of fish, owing to the presence of innumerable islands and indentations of the coast, as well as to the meeting there of the warm current from the south with the cold current from the north. The species already known number nearly 200. But all these advantages were wasted on the native fishermen who knew but little of the modern advanced methods of fishing. After the annexation, the Government-General began to take in hand the work of development along this

line by first enacting the Fishing Law in 1911. Much has since been done by the Government with a view to improvement in the existing primitive methods of fishing, while every possible measure has been taken for the protection, as well as for the growth, of marine products. The result is a decided increase in fishing returns, as well as in the number of persons engaging in the industry, as shown in the following table :—

Year	Fishing Boats	Fishermen	Value of Catch
1912	16,155	183,297	13,062,404 ^{Yen}
1913	19,362	212,713	12,122,192
1914	21,352	251,950	12,064,685
1915	22,946	270,690	13,234,941
1916	45,248	279,481	15,955,922

Salt Manufacture:—The manufacture of salt is conducted all along the coast of the Peninsula, but of late, the cost of production has so risen as to make it impossible for the native salt to compete with the Chinese salt which is imported into the country in great quantity, the amount in 1916 being 320,000,000 lbs. To prevent this important industry from thus slipping through the hands of the people, the Government constructed natural evaporation basins at Kwang-yang Bay and Chuan in 1912. The basins are constantly extended with consequent increase in their production, as shown in the following table :—

Year	Kwang-yang Bay		Chuan		Total	
	Area of Salt-Field	Amount	Area of Salt-Field	Amount	Area of Salt-Field	Amount
	Acres	lbs.	Acres	lbs.	Acres	lbs.
1912 ...	2,094	14,498,037	240	5,323,077	2,334	19,821,114
1913 ...	2,286	48,076,394	240	8,133,726	2,526	56,210,120
1914 ...	2,286	54,168,145	240	10,299,394	2,526	64,167,539
1915 ...	2,286	61,060,353	240	7,531,203	2,526	68,591,556
1916 ...	2,286	90,517,914	240	3,910,911	2,526	94,428,825

Manchuria. Fishing:—Fishing is conducted all along the sea-coast from the north end of the Gulf of Pechihli, through the Strait of Pechihli and the Yellow Sea, as far as the Bay of Chosen at the mouth of the Yalu. Fishing in North Manchuria is of a fresh-water or semi-fresh-water nature, there being no sea-shore, but such great rivers and lakes as the Amur, the Sungari, the Tumen, and the Sui-fen-ho. The total fishing products of Manchuria are thought to be quite considerable but there are no statistics available.

The fishing in the leased territory of Kwantung is prosperous, the seas which surround the Peninsula on three sides abounding with very many kinds of fish of both warm and cold climates. The following are the statistics published by the Japanese authorities there:—

Year	Number of Fishermen			Value of Catch		
	Japanese	Chinese	Total	Japanese	Chinese	Total
1912 ...	129	13,512	13,641	Yen 290,590	Yen 422,542	Yen 713,132
1913 ...	140	13,914	14,054	246,652	403,128	649,780
1914 ...	118	16,642	16,760	247,746	376,466	624,212
1915 ...	138	16,247	16,385	298,591	403,290	701,881
1916 ...	162	15,475	15,637	464,997	467,888	932,885

Salt Manufacture:—The manufacture of salt is carried on generally along the sea-coast in the province of Mukden but it thrives most in Kwantung Province, where the sea-water contains a large percentage of salt. The method followed is that of spontaneous evaporation, the dry wind coming from the Mongolian desert, and other circumstances, being especially favourable for this purpose. Some rock salt is found in Amur Province, but the output is hardly worthy of note. The amount of salt produced in Manchuria, Kwantung Province excluded, is reported by the Chinese authorities to have been 866,800,000 lbs. in 1914.

Statistics for Kwantung Province are given below:—

Year	Area of Salt-Field			Amount of Salt		
	Japanese	Chinese	Total	Japanese	Chinese	Total
	Acres	Acres	Acres	Thousand lbs.	Thousand lbs.	Thousand lbs.
1912	4,406	3,484	7,890	41,245	51,739	92,984
1913	4,827	3,484	8,311	132,780	114,277	247,057
1914	6,500	2,772	9,272	156,026	90,086	246,112
1915	6,503	3,655	10,158	109,840	53,480	163,320
1916	6,503	3,655	10,158	200,225	132,950	333,175

MANUFACTURE

GHOSEN:—Korean manufacture attained a high degree of excellence some 900 years ago, but the general decline of the national strength exerted a blighting effect upon everything, not excluding the arts. Thus the country, by which Japan herself was brought in touch with continental civilization, was found at the time of annexation miserably lacking in all arts and manufactures worthy of notice. Even their daily necessities the Koreans had to import from foreign countries, and this made the already poor country even poorer. Since the annexation, the Government has taken great pains to train the people in many branches of the technical arts. Moreover, the increase in the Japanese resident here and the influx of Japanese capital have done a great deal in developing the manufacturing industry of this country, with the result that many factories have been established of late of which the following are most important.

(1916)

Factories	Number	Capital	Value of Products
		Yen	Yen
Rice-Cleaning Mills	231	3,015,500	25,636,629
Metal Refineries	33	4,786,211	11,394,034
Tobacco Factories	26	4,166,468	4,390,369
Tanneries	44	675,590	5,444,559
Cotton Mills	19	1,839,414	2,307,322
Breweries	96	1,625,559	1,403,789
Printing Houses	68	848,300	1,262,909
Hardware Factories	117	591,577	750,295
Earthenware Factories	140	452,451	609,644
Salt Refineries	16	399,000	539,075
Saw Mills	12	274,100	411,400
Others	273	5,939,330	4,876,614
Total	1,075	24,613,500	59,026,639

Their progress in the past is shown in the following table :—

Year	Number of Factories	Capital	Value of Products
		Yen	Yen
1912	328	13,121,481	29,362,307
1913	532	17,478,146	36,066,172
1914	654	17,371,832	32,754,797
1915	782	21,113,607	45,931,133
1916	1,075	24,613,500	59,026,639

Manchuria :—Though the country is still mainly agricultural, considerable progress has been made of late in the manufacturing industry, especially in the manufacture of bean oil, wheat flour, glass, paper, tobacco, matches and pongee, and also in brewing and tanning. Of these industries, the manufacture of bean cakes and oil is by far the most important, it being carried on almost everywhere in the country, and some of its factories are on a large scale and worked in modern fashion. As to its yearly production there are no available statistics, but taking into account that the export of bean cakes amounted to 16,100,000 piculs, valued at Hk. Tls. 29,134,011 and that of bean oil to 1,010,079 piculs, valued at Hk. Tls. 7,405,555, in 1915, and also that the

domestic consumption of both these articles is far from small, it must be admitted that it is quite considerable. Brewing of native wine comes next, with a total production in 1915 of about 1,700,000 gallons, valued at Yen 18,000,000. Flour mills are mostly found in North Manchuria, around Harbin, on account of its easy access by those districts given over to the cultivation of wheat. The amount of flour manufactured by the modern mills only, in 1915, was 350,000,000 lbs., valued at Yen 15,000,000; no statistics are available for native mills.

We give below figures for the industries carried on in the leased territory of Kwantung and the Railway Zone, both of which are under Japanese administration, there being no statistics for the rest of the country.

Factories in Kwantung Leased Territory and Railway Zone (1915)

	Japanese*			Chinese			Total Value of Products
	Fac- tories	Capital	Value of Products	Fac- tories	Capital	Value of Products	
		Yen	Yen		Yen	Yen	Yen
Bean Cakes & Oil . . .	10	4,066,000	7,175,165	89	2,075,417	19,060,143	26,235,308
Flour	4	1,044,500	3,763,619	2	303,000	195,300	3,958,919
Bricks	19	155,005	262,220	27	26,842	26,218	288,438
Tobacco . . .	2	3,020,030	4,878,000	—	—	—	4,878,000
Cement . . .	1	600,000	540,000	—	—	—	540,000
Hardware . .	7	117,866	149,223	—	—	—	149,223
Brewing . . .	2	26,000	140,000	30	441,880	232,279	372,279
Miso & Soy .	10	134,500	991,516	4	5,380	2,031	293,647
Timber . . .	9	720,800	661,012	—	—	—	661,012
Matches . . .	2	480,000	232,200	—	—	—	232,200
Glass	5	41,500	100,660	—	—	—	100,660
Others . . .	6	1,143,945	1,235,635	14	104,765	142,064	1,377,699
Total (1915)	136	11,550,116	19,429,350	166	2,957,284	19,658,035	39,087,385
Total (1911)†	83	7,688,208	14,677,247	127	1,826,181	10,833,549	25,516,786

Note:—*In these columns are included factories operated by Japanese outside Kwantung Province and the Railway Zone, and also those undertaken by them jointly with Chinese. The amount however is not very large.

†The comparison of these two years will show how great has been the industrial progress for the past five years.

Manchurian industry is only in its initial stages, but its outlook is very promising on account of the presence in great abundance of coal, cheap labour, and raw material.

TRADE

CHOSEN :—Consequent upon the general economic progress, the trade of Chosen with other lands has increased considerably of late, as shown in the following table :—

Trade Returns for Past Six Years

Year			Export	Import	Total	Import Excess
			Yen	Yen	Yen	Yen
1912	...	...	30,159,043	67,220,598	97,379,641	37,061,555
1913	...	...	40,865,358	71,669,040	112,534,398	30,803,682
1914	...	...	44,064,002	63,296,619	107,360,621	19,232,617
1915	...	...	60,863,539	59,423,317	120,286,856	*1,440,222
1916	...	..	72,456,867	75,750,099	148,206,966	3,293,232
1917	...	...	93,421,101	103,055,431	196,476,532	9,634,330

* Export excess.

As shown above, the expansion of the export-trade was much faster than that of the import. The consequence is that the excess of imports over exports, which was very great in earlier years, has steadily diminished, and some export excess even was shown in 1915. It is hardly necessary to point out that the extension of railways and good roads, development of coastwise navigation and other means of communication, abolition of export duty, improvement in tariff system, and perfection of monetary organs have contributed to the bringing about of this favourable change. The values of the principal articles exported for the past four years are compared in the following table :—

	1914	1915	1916	1917
	Yen	Yen	Yen	Yen
Rice	17,098,583	24,516,622	19,356,778	27,416,508
Beans	3,819,280	5,200,456	6,011,696	9,370,900
Marine Products	1,454,499	2,043,037	2,695,809	4,415,727
Prepared Ginseng	492,621	1,234,829	1,272,783	1,833,014
Ginned Cotton ...	1,098,728	1,157,663	1,749,666	4,227,817
Cocoons	334,823	724,685	1,470,175	3,154,362
Gold Bullion & Ore....	10,233,980	12,296,206	16,668,237	10,416,010
Iron Ores	418,444	501,950	568,617	415,109
Tungsten	—	90,478	1,638,426	2,086,115
Graphite	192,187	202,691	576,792	1,526,133
Copper containing Gold	—	259,792	3,880,200	5,160,913
Coal	458,184	629,175	468,888	473,032
Cow Hides	1,597,736	3,538,790	3,573,818	2,019,781
Leather Articles	—	2,093,250	3,119,270	1,388,031
Tobacco	374,738	248,724	620,755	910,379
Cattle....	465,927	338,014	435,841	1,011,985

The country exports most largely to Japan followed by China and Russia, exports to Japan in 1917 being Yen 74,347,106, to China Yen 11,953,667, to Asiatic Russia Yen 3,448,544, and to European Russia Yen 3,268,066.

Imports also annually increased, though not quite so fast as exports, up to the year 1913. They suddenly fell in 1914 owing to the breaking out of the great European War; and a further slight fall was experienced the following year. But, in 1916, they rose to Yen 75,750,000, followed by Yen 103,050,000 in 1917, the highest figures on record, showing that the import trade would have gone on increasing equally with the export trade had the war not interfered with it.

The values of the principal articles imported for the past four years are compared in the following table :—

Year	1914	1915	1916	1917
	Yen	Yen	Yen	Yen
Millet	—	766,054	93,184	1,324,141
Wheat Flour	—	683,702	864,613	1,012,315
Salt	555,093	852,218	1,096,762	1,003,062
Sugar	1,501,220	1,541,259	1,898,527	2,203,660
Petroleum	1,486,825	1,701,780	2,336,509	2,651,223
Cotton Yarn	2,069,727	2,435,847	3,051,799	4,704,417
Shirtings & Sheetings	7,636,412	8,350,841	10,010,780	13,681,982
Cotton Tissues	1,983,553	3,507,716	5,822,028	8,238,334
Chinese Hemp Cloth	1,564,333	1,155,150	1,612,579	2,210,760
Silk Tissues	926,458	973,252	1,207,590	841,384
Paper	1,319,710	1,504,427	1,970,531	2,575,055
Iron and Steel	—	1,420,130	2,198,807	3,905,967
Metal Manufactures	—	2,135,275	2,606,095	4,096,032
Machinery	1,480,823	1,222,603	2,025,710	4,662,299
Leather	123,585	752,325	1,613,086	384,860
Coal	1,741,635	1,762,282	1,839,678	3,598,373

The country imports most largely from Japan the amount being Yen 72,792,208, in 1916, followed by China Yen 12,668,562, the United States Yen 11,609,606, and Great Britain Yen 4,957,122.

Manchuria :—The trade of Manchuria with other lands in 1908 was Haikwan Tael 95,812,000. The same year the exportation of Manchurian beans was started by Japanese merchants with the result that the amount of trade rose to Tael 149,620,000 in 1909. From that year on, the exportation of beans, bean cakes and bean oil kept increasing up to 1913, when progress was temporarily checked by the European War. The increase in exports acted favourably upon the imports and, in 1913, the total trade of the country amounted to Tael 193,945,420. The European War dealt

a blow, temporary in its effects, to the Manchurian trade, as elsewhere, at the outset. Not only did the country soon recover its normal conditions, however, but the trade for 1916 reached the record figures of Taels 217,583,268.

The growth of Manchurian trade is shown in the following table :—

Year	Export	Import	Total
	Taels	Taels	Taels
1911	99,855,712	95,384,311	195,240,023
1912	89,309,545	94,640,621	183,950,166
1913	99,765,241	99,149,138	198,914,379
1914	93,242,581	97,824,808	191,067,389
1915	109,606,999	90,359,860	199,966,859
1916	112,203,901	105,379,367	217,583,268

The principal exports are beans and other pulse, bean oil, bean cakes, *Kaoliang* and other cereals, wild and domestic cocoons and silk, and coal, which together constitute 80 per cent. of the whole exports. The imports consist chiefly of cotton shirtings, sheetings, and yarn, which together account for 20 per cent. of the whole imports, followed by sugar, wheat flour, wines and spirits, petroleum, matches, etc. The following table shows the amount of these articles exported or imported in 1915.

Principal Exports		Principal Imports	
	Hk. Tls.		Hk. Tls.
Beans	27,188,064	Shirtings & Sheetings	13,505,506
Bean Oil	7,405,555	Cotton Yarn	3,259,261
Bean Cakes	29,134,011	Sugar	2,380,797
Cereals... ..	9,197,465	Wheat flour	170,685
Wild Cocoons	2,286,718	Wines & Spirits	1,434,493
Pongee Thread ..	4,023,054	Petroleum	2,308,078
Coal	5,544,187	Matches	684,442

The foreign trade of Manchuria is carried on through the following 11 places :—

Aigun, Sansing, Manchouli, Harbin, Suifenhoh, Lungchingtsun, Hunchun, Antung, Tatungkow, Dairen, and Newchwang.

The most important of these places is Dairen, through which 45 per cent. of the whole trade of the country passed in 1916. In the foreign trade it ranks third in the whole of China, being surpassed only by Shanghai and Hankow. Next in importance come Antung, Newchwang, and Harbin, the last being the greatest Russian city in North Manchuria.

BANKING AND MONEY MARKET

IT has been stated that Chosen and Manchuria, while constituting parts of two different nations, form a distinct part by themselves from the economic and financial point of view. Geographical proximity, the northward advance of Japanese influence into the continent through Chosen, and the increasing communication facilities have all contributed to the bringing about of this state of affairs. But there is another factor which has made this relationship as close as it is. This factor is the Bank of Chosen, the central bank of the one and quite recently made by Imperial Decree that of the other, so far as Kwantung Province and the South Manchuria Railway Zone are concerned. Its notes are in circulation in both countries as the sole legal tender on a gold basis, and are now pushing their way into Mongolia. Here we have a common currency between Chosen and Manchuria, issued by a common institution. It is true that other currencies circulate in native Manchuria, but the rapid increase in the amount in circulation of the Bank of Chosen notes is significant. The Bank of Chosen, being thus a credit institution common to both countries, is dealt with first of all.

THE BANK OF CHOSEN

The Bank of Chosen, formerly called the Bank of Korea, was established in October, 1909, as the Central Bank of Korea by special act of the Imperial Japanese Government, with its head office in Seoul, Chosen, and with a capital of Yen 10,000,000. This capital was increased to Yen 20,000,000 in 1917. Prior to 1909 the Dai Ichi Ginko did all the business pertaining to a central bank in Chosen, and the establishment of the Bank was made part of that long programme adopted by the Government, and by which so many salutary innovations have been effected with a view to revivifying this decayed yet hopeful country and creating in it a new economic life. Established under such circumstances, the Bank took on from the beginning the character of an ordinary commercial bank, as well as that of a central bank, and, while issuing bank notes which are the legal tender throughout the country and serving as bankers to the Government, has since been actively engaged in the ordinary business of a bank for individual customers.

The Bank has its branches in Chosen in the following 12 places :—

Chemulpo, Pyengyang, Wonsan, Taiku, Fusan, Chinnampo, Kunsan, Mokpo, Ranam, Masan, Shinwiju, and Hoilyong.

The progress of the times, however, did not long allow the Bank to remain simply as the central bank of the Peninsula of Chosen. The economic relations between Chosen and Manchuria became closer, yet banking facilities for connecting them were all but lacking. The Bank undertook to fill this gap. Branch after branch was established in the latter country with the result that the Bank is now represented by its branches in the following 16 places :—

Antung, Mukden, Dairen, Changchun, Szupingchieh, Kaiyuan, Chengchiatun, Yingkow (Newchwang), Harbin, Fuchiatien, Lungchingtsun, Kirin, Tiehling, Liaoyang, Ryojun (Port Arthur), and New Town, Mukden.

Meanwhile, the Bank's relation with Eastern Siberia had been constantly growing but since no branch of a foreign bank could be established in that country, arrangements were made with the Matsuda Bank, affiliating it to the Bank.

In Japan, the Bank has three branches, and their importance is fast increasing, partly due to the Bank's partaking of late of an international character, and partly to its entry into the syndicate of large banks there, causing it to have a share in all the financial operations of national importance. They are in the following places:—

Tokyo, Osaka and Kobe.

China Proper is the latest field the Bank has entered. It is represented by two branches in the following places:—

Shanghai and Tsingtao.

The business of the Bank has long consisted of Note Issue, Bill Discounting, Advances, Exchange, and Collection of Gold. Quite recently, the law governing the Bank was revised and Trust Business was added to the list.

With the extension of its sphere of activity to adjacent countries, the relations of the Bank with the world at large have grown more intimate, and foreign exchange is becoming more and more an important part of the business of the Bank. The recent expansion in the exports of Manchurian staple products, notably soya bean oil to America, has accelerated this tendency, involving exchange operations on a far larger scale than ever before. Every effort is being made by the Bank to meet this new demand, and it is in this connection that the Bank looks for the kindly co-operation of its foreign friends.

The progress of the business of the Bank is shown in the following table:—

Liabilities

Year	Capital Paid-up & Reserve Fund	Notes Issued	Deposits	Government Account	Loans & Bills Payable	Due to Other Banks, etc.	Total
Dec. 31	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1909.. ..	2,500,000	13,439,700	7,631,641	7,855,183	771,868	678,083	32,876,477
1910.. ..	2,502,650	20,163,900	5,960,650	6,220,000	646,255	690,577	36,184,030
1911.. ..	5,016,150	25,006,547	6,978,281	1,210,000	2,574,920	931,398	41,417,295
1912.. ..	7,557,350	25,550,400	14,163,878	1,200,000	3,373,597	754,160	52,605,385
1913.. ..	7,634,000	25,693,260	20,801,923	1,200,000	3,036,231	1,289,626	59,655,042
1914.. ..	10,240,000	21,850,270	17,598,504	1,200,000	4,989,380	1,921,441	57,799,695
1915.. ..	10,378,000	34,387,520	18,588,601	1,200,000	3,060,338	2,529,261	70,144,220
1916.. ..	10,518,000	46,733,350	33,033,410	1,200,000	3,914,161	3,556,762	98,955,683
1917.. ..	16,683,000	68,198,370	88,413,372	1,200,000	3,691,700	7,975,275	186,161,717

Note:—Notes issued for 1916 and 1917 include currency notes circulated in Manchuria.

Assets

Year	Cash in Hand	Money at Call, Bullion, etc.	Bills Discounted & Advances	Investments	Due from Other Banks	Bank Premises, etc.	Total
Dec. 31	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1909.. ..	6,242,583	223,092	19,624,627	150,000	4,823,184	1,812,980	32,876,477
1910.. ..	7,985,028	450,254	22,193,052	1,865,245	1,720,145	1,970,305	36,184,030
1911.. ..	8,026,052	3,111,511	21,807,610	5,549,317	422,580	2,410,225	41,417,295
1912.. ..	8,239,359	3,439,422	32,506,391	5,342,232	395,940	2,682,035	52,605,385
1913.. ..	8,743,156	2,928,553	37,532,657	7,149,229	520,814	2,780,633	59,655,042
1914.. ..	7,689,870	2,370,025	37,076,012	7,383,381	479,232	2,801,165	57,799,695
1915.. ..	11,913,572	4,247,086	42,862,501	7,591,177	575,630	2,954,254	70,144,220
1916.. ..	17,797,292	4,515,781	61,629,401	10,078,514	1,985,613	2,949,080	98,955,683
1917.. ..	31,605,191	12,296,017	116,777,937	15,537,153	6,667,354	3,278,067	186,161,717

In order to show the respective importance of the Bank in its three different fields of operation, we have compared in the following table the amount of deposits with, and advances by, the Bank's offices in Chosen, Manchuria, and Japan.

Deposits

Year	Chosen Offices	Index Number	Manchu- rian Offices	Index Number	Japan- ese Offices	Index Number	Total	Index Number
	Yen		Yen		Yen		Yen	
1910	5,470,415	100	442,516	100	47,720	100	5,960,651	100
1911	5,905,463	108	471,231	106	601,587	1,261	6,978,281	117
1912	13,245,671	242	796,974	181	127,233	267	14,169,878	238
1913	18,674,212	341	725,911	164	1,401,802	2,938	20,801,925	349
1914	16,055,199	294	1,063,626	240	479,679	1,005	17,598,504	259
1915	15,781,898	289	2,084,639	471	722,063	1,513	18,588,600	312
1916	17,288,089	316	9,107,316	2,058	6,638,003	13,910	33,033,408	554
1917	20,923,336	382	12,799,990	2,893	54,690,047	114,606	88,413,373	1,483

Advances

Year	Chosen Offices	Index Number	Manchu- rian Offices	Index Number	Japan- ese Offices	Index Number	Total	Index Number
	Yen		Yen		Yen		Yen	
1910	20,280,187	100	134,294	100	1,778,572	100	22,193,053	100
1911	20,936,352	103	126,576	94	834,682	47	21,897,610	99
1912	30,944,187	153	265,614	198	1,296,590	73	32,506,391	146
1913	32,604,417	161	2,315,356	1,724	2,612,884	147	37,532,657	169
1914	31,748,900	157	3,308,004	2,463	2,019,109	114	37,076,013	167
1915	30,210,422	149	3,681,808	2,744	8,970,271	505	42,862,501	193
1916	35,650,426	176	17,010,279	12,665	8,968,696	504	61,629,401	277
1917	49,445,650	244	19,647,997	14,630	47,684,290	2,682	116,777,937	526

It will be seen from the foregoing tables that, while the progress of the Bank has never ceased since its establishment, that made in recent years is most conspicuous. The establishment of new branches following closely one upon the other, and the con-

sequent expansion of its sphere of activity, as well as the general prosperity in business, were the principal factors in bringing about this satisfactory result.

Until quite recently the Bank was only an ordinary commercial bank in Manchuria, though the Yokohama Specie Bank enjoyed a privilege akin to that of a central bank, its notes being recognized as the legal tender in Kwantung Province and the South Manchuria Railway Zone. But the Imperial Decree of November, 1917, deprived the Yokohama Specie Bank of this privilege and conferred it upon this Bank, making the Bank of Chosen notes the legal tender in the districts above mentioned, in and along which all the important business centres in Manchuria are located. It is confidently expected that this fact, coupled with the enactment of the law extending the Bank's ability to issue notes on security reserve from Yen 30,000,000 to Yen 50,000,000, will have a far reaching effect on the Money Market in Manchuria, as well as on the Bank's relations with it in the future.

BANKING IN CHOSEN

Besides the Bank of Chosen the Peninsula has many banks which may be classified into two kinds, viz., Ordinary Commercial Banks and Agricultural and Industrial Banks. Their offices numbered 98 altogether at the end of 1917, including 19 head offices. There are besides 260 Credit Associations for the benefit of the peasantry, and a large Colonial Company, the banking department of which is chiefly engaged in making mortgage loans.

Ordinary Commercial Banks

There are 16 banks of this kind, three of which have their head offices in Japan, the rest in Chosen. Of this number, 8 were founded by Japanese, 4 by Koreans, and another 4 by Japanese and Koreans jointly. The progress of these banks is shown in the following table :—

Liabilities

Year	Capital Paid-up & Reserve Fund	Deposits	Government Account	Loans	Due to Other Banks	Other Liabilities	Total
	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1912 ...	6,263,720	10,123,218	541,636	1,315,566	651,387	3,525,134	22,420,730
1913 ...	7,224,983	11,186,062	385,616	1,732,263	630,702	3,959,582	25,119,226
1914 ...	7,421,160	11,546,518	367,577	1,675,212	624,477	4,918,960	26,553,904
1915 ...	7,575,615	13,388,514	349,537	1,380,321	1,029,717	3,276,102	26,999,808
1916 ...	6,678,200	18,411,330	331,497	861,769	1,137,683	3,723,314	31,143,793
1917 ...	7,483,883	23,254,304	277,457	3,314,050	1,439,115	5,581,972	41,350,781

Assets

Year	Cash in Hand	Money at Call, etc.	Bills Discounted & Advances	Investments	Due from Other Banks	Bank Premises, etc.	Total
	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1912 ...	1,036,356	458,535	16,681,150	1,414,552	263,116	2,567,036	22,420,730
1913 ...	1,144,867	267,335	18,545,058	1,470,627	352,930	3,338,469	25,119,226
1914 ...	761,582	450,648	17,830,975	1,482,962	207,213	5,820,519	26,553,903
1915 ...	860,200	681,913	18,881,554	1,995,342	399,898	4,182,897	27,001,804
1916 ...	1,270,522	774,939	11,048,121	2,278,615	515,035	5,256,560	31,143,793
1917 ...	2,330,642	963,448	29,093,394	3,306,886	724,955	4,931,458	41,350,781

Agricultural and Industrial Banks

The Agricultural and Industrial Banks in Chosen were established by virtue of an Imperial Edict issued by the ex-Korean Government in 1906. Government aid was given to them in the form of subscription to their shares, grant of loans, guarantee given for their debentures, etc. The banks developed and generally prospered. But the progress of the times made it necessary to define their sphere of operations on a new basis, and this gave birth to a new Agricultural and Industrial Bank Act, promulgated in 1914. The progress of these banks is shown in the following table :—

Liabilities

Year	Capital Paid-up & Reserve Fund	Agri- cultural Deben- tures	Deposits	Govern- ment Account	Loans	Due to Other Banks, etc.	Total
	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1912	1,734,985	1,780,000	4,469,657	1,479,980	1,830,229	1,493,599	12,788,446
1913	1,947,281	2,990,000	4,599,926	1,469,980	1,635,779	1,587,863	14,231,332
1914	2,020,199	2,910,000	4,718,821	1,459,980	2,069,758	1,232,140	14,410,898
1915	1,956,921	2,319,500	6,456,378	1,459,981	1,708,676	1,362,084	15,263,540
1916	1,968,915	1,739,000	8,017,323	1,459,981	2,204,690	1,575,385	16,965,294
1917	2,022,660	3,000,000	9,734,416	1,459,981	3,646,246	2,660,536	24,523,839

Assets

Year	Cash in Hand	Agri- cultural Advances	Other Advances	Invest- ments	Due from Other Banks	Bank Pre- mises, etc.	total
	Yen	Yen	Yen	Yen	Yen	Yen	Yen
1912	849,737	2,104,933	8,351,827	98,418	140,558	1,242,973	12,788,446
1913	744,951	2,761,971	8,821,651	200,562	183,831	1,517,366	14,230,332
1914	716,841	3,883,183	7,671,465	203,526	98,110	1,842,772	14,410,900
1915	1,342,015	3,494,683	7,968,097	204,257	297,366	1,957,122	15,263,540
1916	1,326,039	3,175,075	9,538,308	579,110	354,535	1,992,226	16,965,293
1917	2,848,134	4,393,486	13,271,397	1,305,732	387,100	2,317,989	24,523,839

Credit Associations

Credit Associations were established by virtue of an Imperial Edict issued by the ex-Korean Government in 1907 for the purpose of ministering to the needs of the peasantry. In 1914, the law was revised so as to make it conform to the new state of things. These Associations are very small institutions but are rendering important services to the peasants by supplying them with necessary funds for agricultural purposes, providing warehouse accommodation for members, distributing or lending seeds, manures, among members, etc., and by undertaking consignment sales of members' products. The Associations at the end of 1917 numbered 260.

Liabilities

Year	Capital Paid-up & Reserve Fund	Grants from the Govern- ment	Deposits	Loans	Other Liabili- ties	Total
	Yen	Yen	Yen	Yen	Yen	Yen
1912	275,956	1,890,000	—	343,468	205,065	2,714,489
1913	396,325	2,080,000	—	433,437	549,395	3,459,157
1914	551,893	2,184,120	31,639	399,492	1,147,595	4,314,739
1915	685,736	2,465,120	277,124	433,887	853,067	4,714,934
1916	864,464	2,568,620	419,329	417,728	1,062,530	5,332,671
1917	1,147,063	2,675,220	651,738	467,296	1,641,131	6,582,448

Assets

Year	Cash in Hand	Deposits	Ad- vances	Pre- mises, etc.	Other Assets	Total
	Yen	Yen	Yen	Yen	Yen	Yen
1912	194,414	636,208	1,725,244	134,106	24,517	2,714,489
1913	180,799	435,819	2,158,192	241,971	442,376	3,459,157
1914	145,033	440,463	2,586,740	355,832	786,671	4,314,739
1915	144,205	1,202,279	2,364,164	412,368	591,918	4,714,934
1916	136,014	1,180,159	2,586,909	435,853	993,736	5,332,671
1917	129,430	1,122,132	3,296,501	500,246	1,534,139	6,582,448

Clearing Houses

There are four clearing houses in Chosen, viz., in Seoul, Chemulpo, Fusan and Pyengyang. They are all of recent establishment, the oldest one being that in Seoul, established in 1910. Those in Chemulpo and Fusan were established in the following year and that in Pyengyang in January this year. In the following table, figures for the first three houses are given, the last one being only a few months old.

Bills Cleared

Year	Seoul		Chemulpo		Fusan		Total	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
		Yen		Yen		Yen		Yen
1912...	217,727	63,622,855	26,702	13,697,664	87,510	21,168,036	331,939	98,488,617
1913...	260,212	64,533,237	35,411	15,126,282	111,803	21,620,552	407,426	101,280,071
1914...	284,396	57,331,045	40,120	13,740,024	109,670	19,762,091	434,198	90,833,160
1915...	307,061	57,911,653	42,849	15,873,798	118,100	24,963,077	468,010	98,748,528
1916...	391,438	81,946,307	43,613	21,082,406	121,890	29,898,481	556,944	132,927,194
1917...	490,688	125,959,710	49,054	32,274,611	151,081	44,671,228	690,831	202,903,549

BANKING IN MANCHURIA

The banking business in Manchuria is conducted, besides that by natives, by people of various nationalities. There are branches of the Bank of China, which is considered to be the central bank of China, but they exercise hardly any influence upon the Money Market, their notes being inconvertible like those of other Chinese banks. The Bank of Chosen is acting as the central bank in Kwantung Province and the South Manchuria Railway Zone but in other parts of the country, there is no central bank and consequently no systematic working of monetary organs as is found in most civilized countries. Some of the banks there, especially branches of large foreign banks, are doing useful service, and the recent development of the land is in no small measure due to their activity.

Japanese Banks :—Of all the financial institutions in Manchuria, the Japanese banks play the most important rôle. There are altogether 13 of these banks, three of which have their head offices outside Manchuria, and the rest within its boundaries. The largest and most influential of the Japanese banks are unquestionably the Bank of Chosen and the Yokohama Specie Bank, followed by the Shoryu Bank which, though small in comparison with the other two, its capital being only Yen 1,500,000, is actively engaged in local business.

The following table shows the respective influence of the three banks and the rest of the banks put together.

(1917)

Bank	Currency	Deposits	Advances
		Yen	Yen
The Bank of Chosen	Gold	12,338,345	23,634,277
The Yokohama Specie Bank	Gold	11,273,026	9,914,233
	Silver	2,929,739	14,656,534
The Shoryu Bank	Gold	8,650,713	8,383,179
	Silver	651,423	1,494,743
Other Japanese Banks	Gold	3,776,019	6,646,195
	Silver	864,794	452,877
Total	Gold	36,038,103	48,577,884
	Silver	4,445,956	16,604,154

The progress of the Japanese banks for the past six years is shown in the following table :—

Year	Currency	Capital Paid-up	Deposits	Advances
		Yen	Yen	Yen
1912	Gold	412,500	6,745,772	5,579,478
	Silver	300,000	1,688,744	12,479,234
1913	Gold	887,500	7,452,829	10,872,591
	Silver	300,000	3,501,054	9,580,967
1914	Gold	1,137,000	8,158,890	13,157,877
	Silver	300,000	4,974,828	6,075,145
1915	Gold	1,687,000	12,244,265	13,278,495
	Silver	300,000	5,565,738	10,908,077
1916	Gold	2,219,500	25,195,127	27,886,807
	Silver	—	4,274,911	15,481,644
1917	Gold	2,970,000	36,038,103	48,577,884
	Silver	—	4,445,956	16,604,154

Native Banks. New Banks :—The establishment of these banks in Manchuria has mostly taken place during the last ten years. Some of them are Government banks, pure and simple, some are joint undertakings by the Government and people, and some are purely private institutions. Each of the three Manchurian provinces has a provincial bank. These banks handle State money and are endowed with the privilege of note issue. Their respective positions are seen in the following table :—

Bank	Year of Es- tablish- ment	Head Office	No. of Branches	Capital	Amount of Note-Issue	Specie Reserve
Mukden Bank	1905	Mukden	16	<i>Taels</i> 500,000	<i>Taels</i> 5,535,000	<i>Taels</i> 615,000
Kirin Bank ...	1909	Kirin	—	321,000	9,600,000	?
Amur Bank...	1918	Tsitsi- har	10	300,000	1,230,000	246,000
Total ...			26	1,121,000	16,365,000	861,000

Note.—The local currency is converted into Taels at the average exchange rate for September, 1914.

As the native banks do not publish any statement the above figures are at best open to doubt.

There are, besides, branches of the large banks established by the Central Government, the principal ones being the Bank of China and the Bank of Communications. Their notes circulate far and wide, though payment has been suspended more than once in consequence of political and other disorders.

There are also branches of the Colonial Bank, the head office of which is in Peking, and which has for its principal object the granting of mortgage loans.

There are besides a number of commercial banks conducting general banking business such as deposits, advances, and exchanges, and also issuing notes which, however, circulate within very limited localities only. No one can tell their business con-

ditions, except that their standing is generally far from being sound.

Various attempts are now being made, by Chinese capitalists to establish new banks in Manchuria. Perhaps these have been essayed because of their being awakened to the necessity of developing the immense natural resources still untouched there. Their success is earnestly hoped for by every well-wisher of the country, as such steps can not but act beneficially upon the welfare of the people.

Old Banks:— Under this term are classed the *Tsien-pu*, *Tang-pu*, and *Yin-lu*. These banks are conducted according to the method that has been in vogue in China for hundreds of years. The once prosperous *Shansi Piau Chwang* have almost disappeared and their place has been taken by the new banks. Speaking generally, old style banks are giving way to modern ones. But they still exert great influence upon many of the native merchants, and in some cases are the only financial organ adapted for their needs.

The *Tsien-pu* is a small banking house doing every sort of banking business such as deposits, advances, exchanges, while the *Tang-pu* is a sort of pawn shop. The *Yin-lu* were originally silver-smiths but now handle banking business. The famous Transfer Money System is conducted by them, especially in and around Newchwang.

FOREIGN BANKS:—The principal foreign banks in Manchuria are the Russo-Asiatic Bank, and the Hongkong and Shanghai Banking Corporation. The former has branches in Dairen, Newchwang, Harbin, and Tsitsihar, while the latter has agencies in Harbin and Dairen.

FUTURE PROSPECTS FOR CHOSEN AND MANCHURIA

IN the foregoing pages, we have outlined the present economic conditions of these two countries and to some extent their progress in the past. We shall now glance over what the future may have in store.

The remarkable progress Chosen has made in the past is undoubtedly due to no small extent to the great efforts made by Japan in that direction; but the efforts, however well directed they might have been, would never have been so fruitful had it not been for the natural resources that the country has in great abundance. These remarks apply to Manchuria even more strongly. True, Japan and Russia, one from the South, the other from the North, have done a great deal in exploiting the country, but it is the hidden wealth of Manchuria, in the form of fertile soil, hard-working people, immense mineral deposits, etc., that has contributed most largely to the recent great changes.

It has already been seen that the production of rice in Chosen, the principal staple, has increased by 58 per cent. during the seven years that have elapsed since annexation. Yet the Korean soil yields only 20 bushels per acre, whereas in Japan as much as 34 bushels are raised from each acre, and it is asserted by experts that, by the introduction of proper methods of cultivation and improvement in manures and seeds, it is not at all difficult to make the Korean soil as productive as that of Japan. There are, besides, millions of acres which are now arid or marshy but capable of being converted into fertile lands by the construction of proper systems of irrigation and drainage. When all this is taken into consideration, there is plenty of room for development even in agriculture, in which the people have been engaged from time immemorial and in which they are considered to be most advanced. But of all the branches of agriculture, the one having the

brightest future is sericulture for which the country is especially well adapted. It is confidently expected that the time will not be far off when the Peninsula will rank alongside the mother country as one of the great silk producing countries of the world.

The prospect for mining is most bright, owing to new mines being constantly discovered and worked. As for other industries, such as forestry, stock farming and manufactures, they have just been started and have all the future before them. During 1917, new companies formed under permission of the Government, numbered 26 with an aggregate capital of 19,591,000 Yen, and the formation of many others is being considered. All this indicates how hopeful is the economic future of the Peninsula.

As for Manchuria, the prospects are even greater. Only 5 per cent. of the whole area of the country is cultivated. It is estimated that there are no less than 12,000,000 acres of arable land lying idle in the provinces of Mukden and Kirin alone. With room so great as this, and with the indefatigable Chinese labour constantly pouring into the country, it is not difficult to predict a great agricultural future for this country. The mineral wealth of Manchuria is estimated to be inexhaustible. Only a very small part of it is being developed. This fact is now drawing the attention of the capitalists of the world, and large mining schemes are being reported, one of the most conspicuous cases being that concerning the district around An-shan-chan, the development of which is to be undertaken by the South Manchuria Railway Company. Moreover, the Manchurian beans are fast finding a world-wide market on account of their numerous uses. The one drawback to the advancement of the foreign trade of the country is its disorganized coinage; this once removed, its trade future will be something astonishing.

In introducing to the world these long-forgotten lands of the Far East, it is highly gratifying to us that we are able to conclude our information about them with such encouraging remarks.

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